

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: GRACE SEAMAN

DATE: AUGUST 2, 2013

RE: HAMILTON TELECOMMUNICATIONS'S ONE-YEAR CONTRACT
EXTENSION FOR THE TELEPHONE RELAY SERVICE;
CASE NO. GNR-T-10-05.

BACKGROUND

On September 22, 2010, the Administrator, Bob Dunbar, entered into a three-year contract with Hamilton as the service provider for the Idaho Telephone Relay Service (TRS). This Commission-approved¹ agreement allowed for three (3) one-year extensions with renegotiated rates. *See* Order No. 32069. The initial three-year contract expires on December 1, 2013.

On June 18, 2013, Hamilton submitted a proposal to the Administrator to renew the contract for the first one-year extension at the rate of \$1.99 per conversation minute for both the traditional and captioned telephone service. This is an increase of \$.23 per conversation minute (the current contract rate is \$1.76).

The TRS Administrator is responsible for evaluating and making recommendations to the Commission pursuant to *Idaho Code* § 61-1303(1)(b). The Administrator compared the new rate proposed by Hamilton with rates imposed on other states served by Hamilton as well as other service providers. The Administrator believes Hamilton's one-year contract rate is reasonable and recommends that the current TRS contract be extended for another year (until December 1, 2014). Hamilton's rate includes all equipment, personnel, facilities, software,

¹ *Idaho Code* § 61-1303(1)(b)(v and vi) provides that the Commission shall approve the contract between the Administrator and the relay provider.

features, and services (*i.e.* such as Speech to Speech, Spanish translations to English and English to Spanish, in-state outreach program, and etc.).

STAFF ANALYSIS AND RECOMMENDATION

Staff has reviewed Hamilton's proposal and the Administrator's recommendation. The fund's cash balance as of June 30, 2013 is approximately \$300,000, and is sufficient to accommodate the proposed rate increase. Staff believes the proposed rate of \$1.99 per conversation minute is reasonable and that it is in the public interest to maintain the existing service contract with Hamilton. Staff believes that Hamilton has provided quality service to Idaho relay users and supports the Administrator's recommendation to enter into a one-year contract extension at the proposed rate.

COMMISSION DECISION

1. Does the Commission approve the one-year extension (until December 1, 2014) to Hamilton's relay contract at the rate of \$1.99 per conversation minute for the traditional relay and the captioned telephone service?
2. Does the Commission authorize the TRS Administrator to execute an amendment to the existing relay contract to extend the contract for twelve months (until December 1, 2014) and increase the conversation minute rate to \$1.99 per minute?
3. Does the Commission adopt the Administrator's and Staff's analysis that there are sufficient funds to cover the proposed rate increase without raising TRS contributions at this time?


Grace Seaman

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